December 11, 2017

Mary D. Nichols California Air Resources Board, 1001 I Street, Sacramento, California 95814

Re: Proposed Fiscal year 2018-2019 Funding Plan for Clean Transportation Incentives.

Dear Ms. Nichols,

Thank you for taking the time to receive comments regarding the upcoming investment plan.

- 1) I support the Investments for Clean Transportation's goals to displace petroleum, reduce pollutants, and improve air quality. Although it is stated that CARB intends to accelerate development and early commercial deployment in order to meet these goals, it does not mention any funds towards the development and demonstration of early stage liquid alternative diesel fuels such as **microemulsions** that are currently being commercialized. If it is not possible to allocate funds towards the above mentioned liquid fuels, then please state so explicitly in proposal solicitations and kindly update the CARB wording to more accurately reflect that CARB does not support development of new liquid fuel technologies and that project support is not publicly available and will need to be obtained via private investments.
- 2) As per the funding plan for *Heavy Duty Vehicle and Off-Road Equipment Investment*: "These investments support a broad range of clean and efficient vehicle technologies, with funding opportunities for battery electric, fuel cell, hybrid, natural gas, and clean diesel engine technologies as well as engine and system efficiency improvements and low carbon renewable fuel use." I ask that **early stage, liquid, low emissions alternative diesel fuel technologies and biofuels** also be included under this section and a certain amount of budget be allocated for **technology development projects for existing engines**.
- 3) If CARB is not in a position to allocate funds for the above mentioned projects, then CARB should communicate the requirements and procedure for allocating funds from other resources such as the EPA to develop and conduct demonstrations for early stage liquid alternate fuels
- 4) The funding plan has stated **support for projects that benefit disadvantaged communities**. I support this initiative as liquid, alternative fuel technologie are crucial for the benefit of the disadvantaged communities

such as the San Joaquin Valley to meet the emission mandates set forth by the State of California.

To meet growing air quality mandates (AB 32) as part of CARB's Air Quality Improvement Program (AB 118, Chapter 750) support for these alternatives is needed to have transitional liquid fuels that produce lower tailpipe emissions while reducing the carbon content of the fuel.

I thank you and the CARB staff for this important outreach effort to stakeholders and for considering our requests.

Sincerely, Sen. Richard Polanco (Retd.) Former Majority Leader